



HF 801 – State Budget Searchable Database (LSB1732HV)

Analyst: David Reynolds (Phone: 515-281-6934) (dave.reynolds@legis.state.ia.us)

Fiscal Note Version – New

Requested by Representative Marcella R. Frevert

Description

House File 801 requires the Department of Administrative Services (DAS) to develop and implement a searchable budget and tax rate database website. The Bill requires the website information pertaining to the budget database to be operational by January 1, 2011. Information for the tax rate database is to be implemented by January 1, 2010. By July 1, 2009, the Bill requires the Department to include information on the website listing the expenditure of funds received through the federal American Recovery and Reinvestment Act of 2009. The Bill requires the information on the website to be made available at no cost to the public.

Background

Twenty-one states have implemented database websites with varying degrees of budget and expenditure related information and search capabilities. The costs to implement the systems have varied significantly due to the level of financial detail, the functionality of the systems, and the existing capabilities of states' accounting systems. Many of these states have reported using existing state resources to implement the websites. While there is a cost associated with using existing resources, estimates were not provided. Ten states reported costs of between \$40,000 and \$1.0 million.

Assumptions

- The DAS estimates the first year cost to implement and operate the searchable database website to be \$636,000. According to DAS, the majority of this cost is associated with increased staff time for data preparation, software development and integration of the system data. The annual cost in subsequent years is estimated at \$108,000.
- The Department of Transportation and Regents institutions have separate accounting systems. The DAS estimates it will cost \$165,000 to include this data in the new system.
- The cost to the Department of Economic Development for the data requirements of the Grow Iowa Values Fund is estimated at \$10,000 annually. Much of the information, with the exception of expenditures by legislative district, is currently available through the Department of Economic Development's website.
- The cost to the Department of Revenue for data preparation associated with the sales tax, special tax credits, and Grow Iowa Values Fund provisions is estimated at \$30,000 the first year and \$5,000 each year thereafter.
- The Department of Revenue currently collects and maintains tax rate information by jurisdiction and makes the information available on the website. The cost to incorporate this information to the new system would be minimal.

Fiscal Impact

According to department estimates, House File 801 will increase costs for the State agencies listed above by an estimated total of \$841,000 in FY 2010 for first-year development and implementation and \$123,000 annually thereafter.

Sources

Department of Administrative Services
Department of Management
Department of Revenue
Department of Transportation
Board of Regents

/s/ Holly M. Lyons

March 24, 2009

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to [Section 2.56, Code of Iowa](#). Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.
